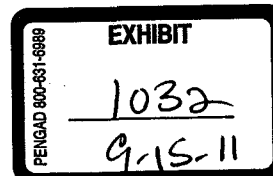


Return-Path: <HAB@gtrb.com>
 X-Original-To: vince@infinityward.com
 Delivered-To: vince@infinityward.com
 Received: from localhost (localhost.infinityward.net [127.0.0.1]) by mail.infinityward.com (Postfix) with ESMTP id 3123711713; Mon, 26 Oct 2009 18:30:02 -0700 (PDT)
 Received: from mail.infinityward.com ([127.0.0.1]) by localhost (mail.infinityward.com [127.0.0.1]) (amavisd-new, port 10024) with ESMTP id 25737-02; Mon, 26 Oct 2009 18:30:00 -0700 (PDT)
 Received: by mail.infinityward.com (Postfix, from userid 1004) id 8C46211717; Mon, 26 Oct 2009 18:30:00 -0700 (PDT)
 Received: from mail172.messagelabs.com (mail172.messagelabs.com [216.82.254.3]) (using TLSv1 with cipher DHE-RSA-AES256-SHA (256/256 bits)) (No client certificate requested) by mail.infinityward.com (Postfix) with ESMTP id 3FC8211712 for <vince@infinityward.com>; Mon, 26 Oct 2009 18:30:00 -0700 (PDT)
 X-VirusChecked: Checked
 X-Env-Sender: HAB@gtrb.com
 X-Msg-Ref: server-9.tower-172.messagelabs.com!1256606997!44567186!1
 X-StarScan-Version: 6.1.3; banners=-,-,-
 X-Originating-IP: [64.169.213.118]
 X-SpamReason: No, hits=0.5 required=7.0
 tests=BODY_RANDOM_LONG,HTML_MESSAGE
 Received: (qmail 20284 invoked from network); 27 Oct 2009 01:29:58 -0000
 Received: from 64-169-213-118.gtrb.com (HELO smtp.gtrb.com) (64.169.213.118) by server-9.tower-172.messagelabs.com with DHE-RSA-AES256-SHA encrypted SMTP; 27 Oct 2009 01:29:58 -0000
 X-WSS-ID: OKS5G5M-04-3T1-01
 Received: from gtrbexch2007.gtrbdomain.local (unknown [10.1.1.240]) (using TLSv1 with cipher RC4-MD5 (128/128 bits)) (No client certificate requested) by smtp.gtrb.com (Tumbleweed MailGate 3.5.1) with ESMTP id 2C2E8A36250 for <vince@infinityward.com>; Mon, 26 Oct 2009 18:29:45 -0700 (PDT)
 Received: from gtrbexch2007.gtrbdomain.local ([10.1.1.240]) by gtrbexch2007.gtrbdomain.local ([10.1.1.240]) with mapi; Mon, 26 Oct 2009 18:30:28 -0700
 From: "Harold A. Brown" <HAB@gtrb.com>
 To: "Vince Zampella" <vince@infinityward.com>
 Cc: "Cheryl M. Snow" <cms@gtrb.com>, Lesley Barr <lesley@gtrb.com>
 Received(Date): Mon, 26 Oct 2009 18:30:27 -0700
 Subject: RE: Annual Grant
 Thread-Topic: Annual Grant
 Thread-Index: AcpWhqUPblaz2XOySDeq5wfljKfrPAAAOTzgAAVa9IAAAc5jsA==
 Message-ID: <7C0F790562A62E4FB39FD9FC59B8F17A1F30856B3E@gtrbexch2007.gtrbdomain.local>
 References: <04967F7CB9A74ED3BF5B1B078EACB423@infinityward.net>
 In-Reply-To: <04967F7CB9A74ED3BF5B1B078EACB423@infinityward.net>
 Accept-Language: en-US
 Content-Language: en-US
 acceptlanguage: en-US
 Content-Type: multipart/alternative; boundary="_000_7C0F790562A62E4FB39FD9FC59B8F17A1F30856B3Egtrbexch2007g_"
 MIME-Version: 1.0



X-Virus-Scanned: at infinityward.com
X-Spam-Status: No, hits=-2.597 tagged_above=-999
required=6.3tests=[BAYES_00=-2.599, HTML_MESSAGE=0.001,
HTML_NONELEMENT_00_10=0.001]
Content-Type: text/html; charset="us-ascii"
Content-Transfer-Encoding: quoted-printable

You may want to send future emails on a private address, unless you are assured of confidentiality on this address.

As to this question, we are not sure we understand historically or contractually where these grants come from. Our instinct however is to secure the grants in the upcoming board meeting before the shit hits the fan, and there is push back from A, although it may be that the more options the team has, the more difficult it will be for them to leave and that it would be in your interest (if not theirs) to stall and see what A does.

If there are changes you would like to make in the grid, by all means make them.

We will be in the office in the morning if you would like to discuss.

From: Vince Zampella [mailto:vince@infinityward.com]
Sent: Monday, October 26, 2009 5:33 PM
To: Harold A. Brown
Cc: 'Jason West'
Subject: FW: Annual Grant
Importance: High

What is your recommendation on how to respond to this? They sent it at 3pm and demanded an answer by tomorrow morning.

From: Griffith, Mike [mailto:Michael.Griffith@activision.com]
Sent: Monday, October 26, 2009 3:06 PM
To: Zampella, Vince; West, Jason
Cc: Kotick, Bobby; Stohl, Dave; Weiser, Ann; Green, Nicole
Subject: Annual Grant
Importance: High

Vince and Jason,

I want to make sure you have a chance to input on the allocation for the annual equity grant for your studio employees. HR has not heard back from you on this and the deadline is now to get the final information submitted to the compensation committee. The attached appears to be a reasonable allocation and is what we'll use unless we hear back from you by first thing tomorrow morning.

More than happy to discuss if you'd like.

Mike

From: Chaisson, Eric
Sent: Monday, October 26, 2009 2:53 PM
To: Griffith, Mike; Stohl, Dave; Green, Nicole
Cc: Weiser, Ann; Frings, Rich; Aguilar, Steven (HQ); Chaisson, Eric
Subject:
Importance: High

Mike, Dave and Nicole –

We have not heard back from IW on the equity allocation of their 180,000 share pool. We've therefore come up with a recommendation for them and would like for you to review. Apologies ahead of time, but we are hoping to hear back by the end of day today (10/26) with your approval.

We reviewed several alternatives on how to distribute the pool of shares which ranged primarily between the ideas of basing current grants either on 1) historical precedent or on 2) job levels as defined in Oracle. After reviewing scenarios under both of these approaches we concluded that 1) historical precedent served as the best proxy for current grants, given it takes into account the equity granting practices/key talent as defined by IW during the last few years.

The attached contains our recommendation, below is the approach to determining the number of shares:

1. We reviewed the past grant amounts for all employees, excluding the studio heads
2. Aggregated grant sizes for 2006 – 2008; We did not include 2009 since that was a special RSU grant
3. Calculated the proportion of past grants employees have received as a percent of the entire pool

available (in the past)

4. Applied the proportion employees have historically received to today's pool of 180,000 shares
5. Proportion had to yield a total current grant of at least 1,000 shares to be counted
6. Eliminated two employees who did not receive a grant in 2008 from the list given it is the most recent and relevant data we have on typical grant recipients (employee names are Chris Cherubini and Jason McCord)
7. One exception to the above process is that we included Robert Bowling on the list as he was recently identified as a "key talent" employee with the 2009 RSU grant
8. We did some rounding of numbers to achieve the total 180,000 share pool

Please let us know if you have any questions.

Thank you,

Eric Chaisson

Compensation | Activision Blizzard Inc.

o: [REDACTED]

Eric.Chaisson@activision.com